

FACTUAL DATA AND ANALYSIS – AFTER THE ACQUISITION**AFTER THE ACQUISITION****Discussion of Appraisal Issues in the After Instance**

For the most part, the assignment parameters (including the above-described Scope of Work) remain applicable to the appraisal issues in the After instance. In developing our opinion of the highest and best use and market value of the Westside Ventures properties after the taking, we carefully reviewed the Court’s October 7, 2021, Opinion on Partial Summary Judgment. In its Opinion the Court states:

“The College’s use of the land as it were without the deed restriction is a taking that requires compensation because the land without the deed restriction would disrupt the planned pattern of development and uses of the other properties. Regardless of the utility of the restriction, it is property.”

We considered several guiding questions in our appraisal analysis in the After instance. If the 25.17-acre site acquired by Houston Community College had been put to a legally permissible highest and best use as required by the deed restrictions, as opposed to its use for higher education, would the Westside Ventures properties have been better served? Asked another way, is the use to which HCC put the 25.17 acres as a community college an inferior use to the legally permissible highest and best use of the property? In the following pages, we set forth our market research and rationale concerning these and other questions in determining the impact of HCC’s acquisition of the deed restrictions that included single-family residential use, office building use and/or office warehouse use.

In our analysis of the After instance we researched numerous elements of the properties involved in this matter. Our research included, but was not limited to, an analysis of overall market trends, highest and best use analysis, confirmation and review of relevant land transaction data, land use studies, market surveys, and research of the market’s perception of community college campuses within commercial developments. In the final analysis, we consider the inverse condemnation of the outlined deed restrictions by Houston Community College to have no impact upon the likely end-use or market value of the Westside Ventures properties. We have presented our market research relating to the above issues in the following order:

1. Highest and Best Use of the 25.17 Acres
2. Unique Features of the HCC Katy Campus
3. Property and Development History
4. Paired Sales Analysis
5. Positive Change in the After Instance
6. Market Perceptions of Community College Campuses
7. Market Survey and Public Sentiment
8. Conclusion

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DEFENDANT’S
EXHIBIT

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